For the future you want

EDINBURGH COLLEGE BOARD OF MANAGEMENT

MINUTES OF MEETING OF 12 DECEMBER 2017

14:00 Boardroom, Milton Road Campus

Present: Beth Anderson; Neal Black; Annette Bruton; Bruce Cassidy; Mike Cowley; Bob Downie; Lesley Drummond; Stephen Dunn; Alan Johnston; Ian McKay (Chair); Niki McKenzie; Nigel Paul; Fiona Riddoch; Judith Sischy; Azra Sharif-Qayyum; Jeanette Stevenson; Ian Young.

In attendance: Alex Craig; Nick Croft; Michael Jeffrey; Jonny Pearson; Gordon Smail (Audit Scotland); Marcus Walker (Clerk); Alan Williamson.

1.   WELCOME AND APOLOGIES

2.1   Apologies were received from Ann Landels.

1.2   The Board NOTED that Colin Arthur, the Teaching (Academic) Staff Board Member, had retired on 03 November 2017. The Chair, on behalf of members, commended Mr Arthur's 20 years of service to the college and his significant contribution to the Edinburgh College Board of Management over the past five years

1.3   The Chair welcomed Mike Cowley, the newly elected Academic (Teaching) Staff Board Member, to his first meeting.

1.4   The Chair welcomed Nick Croft, the newly appointed Head of Corporate Development, to his first meeting as Board Secretary.

1.5   The Chair welcomed Gordon Smail, an Associate Director at Audit Scotland, who was in attendance for the presentation of the Annual Report & Financial Statements for the period ended 31 July 2017 (Item 5.1.2).

2.   DECLARATIONS OF INTEREST

2.1   The Board NOTED a declaration of interest from Ian Young in relation to Item 11, in light of his role as a Vice Chair of the Edinburgh College Development Trust.

2.2   The Committee NOTED that the indicative pay position of the Depute Principal, Chief Operating Officer and Assistant Principals was outlined under the minutes

of the Remuneration Committee on 01 December 2017. The Chair advised members of the Executive that they would be asked to leave the meeting while discussions under Item 6.2 took place.

3. MINUTES OF PREVIOUS MEETINGS

3.1 The Board APPROVED the minutes from 19 September 2017 as an accurate record of the meeting.

4. MATTERS ARISING

4.1 Actions from the previous meeting were complete, overtaken or on the agenda.

5. COMMITTEE REPORTS

5.1 AUDIT & RISK ASSURANCE COMMITTEE

5.1.1 *MINUTES 22.11.17*

The Board NOTED the Audit & Risk Assurance Committee minutes from the meeting held on 22 November. The Board NOTED that the Committee had approved an Internal Audit Plan 2016/17, subject to minor amendments, which covered the full range of systems within the college and was not restricted to financial systems alone.

5.1.2 ANNUAL REPORT & FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2017

The Board NOTED an annual report from the Audit & Risk Assurance Committee, which highlighted areas of activity undertaken by the Committee for the period of 01 August 2016 to 31 July 2017. The Chair of the Audit & Risk Assurance Committee informed the Board that the internal and external auditors had commended the college on its achievements over the past year, however, it was noted that the financial sustainability of the college sector going forward (in light of recent staff pay awards and sector harmonisation) would need to be monitored closely.

The Board NOTED the Edinburgh College Annual Report and Financial Statements for the 12 month period ended 31 July 2017.

The Board NOTED External Audit Annual Report for the financial accounting period. The External Auditor informed the Board that Audit Scotland were content to sign-off the financial accounts, subject to approval by the Board, following their first term as external auditors for Edinburgh College.

The Board DISCUSSED the following matters in relation to the Annual Report and Financial Statements:

(i) the positive narrative within the annual accounts and the need to communicate the document to stakeholders;

(ii)   the lessons learned by the college over the past 12 months, and the intensive audit process undertaken by Audit Scotland;

(iii)   the need to reflect on the financial challenges within the sector to ensure the college continues to move forward in a positive manner.

The Board APPROVED the Annual Report and Financial Statements to 31 July 2017 and the letter of representation, as endorsed by the Audit & Risk Assurance Committee, for sign-off by the Chair and the Principal.

5.1.3 SUMMARY TOP RISK REGISTER

The Board NOTED a Summary Top Risk Register (TRR) to October 2017, and the 'Red' colour status applied to Cyber Security, GDPR and Financial Sustainability. The Chief Operating Officer advised the Board that the Audit & Risk Assurance Committee would review cyber security and the college's preparations for GDPR at its next meeting.

The Board DISCUSSED the TRR and welcomed the reassurances provided by the Chief Operating Officer.

The Associate Director, Audit Scotland, left the meeting

5.2   POLICY & RESOURCES COMMITTEE

5.2.1 *MINUTES 14.11.17*

The Board NOTED the Policy & Resources Committee minutes from the meeting held on 14 November. The Vice Chair updated the Board on the development of a Performance Monitoring Dashboard, to provide members with further clarity and visibility relating to key performance indicators.

The Board NOTED that the Committee had reviewed an SFC Condition Survey Report relating to the Edinburgh College estates. The Vice Chair advised the Board that, in order to appropriately consider the costs of maintenance and the need for further development to construction and engineering provisions in the context of the Estates Strategy, the Committee had agreed to reconvene the Estates Sub-Group.

The Board NOTED that the Committee had approved the 2018/19 Tuition Fees. The Vice Chair informed the Committee that part-time course fees would increase by 3% in 2018/19, following a market review against other colleges and local universities.

5.2.2 *RECRUITMENT AND RETENTION DASHBOARD*

The Board NOTED an update from the Assistant Principal, Recruitment and Retention, on the performance of the college against its 2017/18 credit targets. The Assistant Principal informed the Board that the credit position of the college (as of 28 November) was 174,237.

The Board DISCUSSED the positive performance of the college in relation to recruitment and retention over the past year, and its impact on resources across the college. The Assistant Principal, Recruitment and Retention, advised the Board that there had been a 34% increase in students disclosing mental health issues in the current academic year, and that Student Services

and ECSA were working together to further enhance signposting to those in need of additional support.

5.2.3 *MANAGEMENT ACCOUNTS TO OCTOBER 2017*

The Board NOTED the financial performance of the college, as highlighted in the financial accounts to October 2017. The Principal informed the Board that although the financial performance of the college had improved significantly, a continued push was required in order to achieve a balanced budget position by 2018/19.

The Board DISCUSSED the impact of prudent budgeting on staff morale and the potential impact of the Scottish Government's 2018/19 Draft Budget, which was due to be published on 14 December 2017, on the college sector. The Chair advised the Board that the outcome of the 2018/19 Budget, the lecturer pay award and national harmonisation could all impact on financial sustainability going forward.

5.3 ACADEMIC COUNCIL

5.3.1 *MINUTES 10.11.17*

The Board NOTED the Academic Council minutes from the meeting held on 10 November.

The Board NOTED that the Academic Council had considered an update on top line key performance indicators (KPIs) and the ongoing Performance Review process. The Chair of the Academic Council advised the Board that, in terms of KPIs, the Committee would focus on improvements to 'completion/partial completion' success rates going forward.

The Board DISCUSSED performance indicators relating to 'completion/partial completion' success rates and the achievement of positive destinations. The Assistant Principal, Curriculum Design and Development, informed the Board that the Academic Council would invite employer representatives to future meetings to gain a deeper understanding of what qualities employers sought from students leaving college.

5.4 EXTERNAL ENGAGEMENT COMMITTEE

5.4.1 *MINUTES 21.11.17*

The Board NOTED the External Engagement Committee minutes from the meeting held on 21 November.

The Board NOTED that a comprehensive update on progress relating to the City Region Deal had been received by the Committee, which had outlined direct opportunities for the college in relation to digital skills and construction. The Chair of the External Engagement Committee informed the Board that, with the endorsement of the Committee, the Depute Principal would represent the college on the HE/FE Partnership Forum - in order to oversee the engagement of universities and colleges in governance arrangement relating to the City Region Deal.

The Board NOTED that a Draft Commercial Development Strategy had been reviewed by the Committee, and that a finalised version of the Strategy would come back to the Committee in February 2018.

5.5   NOMINATIONS COMMITTEE

5.5.1 MINUTES 26.10.17

The Board NOTED the Nominations Committee minutes from the meeting held on 26 October.

Nigel Paul and Niki McKenzie left the meeting

The Board NOTED that the Committee had considered Board membership, tenures and capacity. The Chair informed the Board that Alan Johnston, a Non-Executive Board Member and Chair of the External Engagement Committee, had indicated that the end of his tenure on 01 March 2018 provided an appropriate juncture to step down from the Board.

The Board NOTED that the Committee had subsequently confirmed a recruitment process, in line with previously agreed guidelines, to recruit a new member to the Board in March 2018. The Chair advised the Board that arrangements for a new Chair of the External Engagement Committee would be considered at the Board meeting on 20 March 2018, once a new Regional Chair to the Board was in post.

The Board NOTED that the Committee had endorsed an extension to Nigel Paul and Niki McKenzie's tenures for an additional three year term. The Board DISCUSSED and APPROVED the proposed extension to both Non-Executive Members tenures, subject to approval by Scottish Ministers.

Nigel Paul and Niki McKenzie returned to the meeting

The Board NOTED that the Committee had agreed that the role of the Vice Chair would be granted 'Ex Officio' status at all committee meetings. The Board DISCUSSED the important role of the Vice Chair following the departure of the incumbent Regional Chair on 02 March 2018, and the subsequent transitional period. The Board AGREED that the position of the Vice Chair should be reviewed again at the meeting of the Board on 20 March 2018.

The Board NOTED that the Standing Orders and Scheme of Delegation would be considered by the Nominations Committee at a future meeting, now that a new Head of Corporate Development was in post. The Chair advised members that the Board would receive an opportunity to review the development to its governance framework in due course.

6.   **CLOSED ITEM OF BUSINESS**

The Depute Principal and Assistant Principals left the meeting

6.1   Items of business were considered by the Board as part of a closed session. Closed items were recorded under a separate minute (Closed Minutes 6/12.12.17 refers).

The Depute Principal and Assistant Principals returned to the meeting

7.   PRINCIPAL & CHIEF EXECUTIVE REPORT

7.1   The Board NOTED a report from the Principal covering a range of activities at the college since the last Board meeting.

7.2   The Board NOTED that, in October 2017, Edinburgh College had announced its membership of the Collab Group, a membership organisation which included some of the UK's top colleges. The Principal advised the Board that a number of meeting had been held with Collab members and a further visit from Ian Pretty, Chief Executive, was organised for the New Year.

8.   EDINBURGH COLLEGE STUDENTS' ASSOCIATION REPORT

8.1   The Board NOTED a report from ECSA covering a range of activities at the college since the last Board meeting.

8.2   The Board NOTED that ECSA had launched relaxation stations across all campuses, as part of a campaign to tackle mental health issues and help students sustain both positive mental and physical wellbeing.

8.3   The Board NOTED that the Student President had been invited to speak at an NUS Scotland Conference. The Chair, on behalf of the Board, thanked the Student President for representing the college nationally, and acknowledged that the invitation to speak was testament to the achievements of ECSA over the past year.

9.   GOVERNANCE REPORT

9.1   The Board NOTED that the tenure of the Regional Chair was due to expire on 02 March 2018. The Chair advised the Board that in a letter, dated 15 November, the Scottish Government had informed the college that its officials were proceeding with an appointment to identify a successor by 03 March.

9.2   The Board DISCUSSED contingency arrangements and the role of the Vice Chair, should there be any delay in the appointment of a successor to the Regional Chair. The Board AGREED that the Vice Chair would temporarily be empowered, as an 'Interim Chair', should any time elapse without a publicly appointed Regional Chair being in post. Further to this, the Board AGREED that the Interim Chair should receive the same remuneration as the Regional Chair in such circumstances.

9.3   The Board NOTED that a further update on transition arrangements for a new Regional Chair would be provided to the Board at its next meeting on 15 February 2018.

9.4   The Board NOTED that following the departure of a Non-Executive Member from the Board on 01 March 2018 (minute 5.5.1 refers), the membership of the Remuneration Committee would be affected. The Board AGREED that Lesley Drummond, a Non-Executive Board Member, would temporarily join the

Remuneration Committee (from 01 March 2018) until a review of committee membership had taken place under the direction of a new Regional Chair.

10. NATIONAL REPORT

10.1 The Board NOTED that the College Development Network had moved to a new premises at Airthrey Castle at the University of Stirling.

11. EDINBURGH COLLEGE DEVELOPMENT TRUST PRESENTATION

Allan Colquhoun, Chair of the Edinburgh College Development Trust, and Sheena Stone, Fundraising Development Manager, entered the meeting

11.1 The Board NOTED an update from the Chair of the Development Trust on its successes, and the challenges it had faced, over the past year.

11.2 The Board NOTED the membership of the Development Trust, and the current governance arrangement in place.

11.3 The Board DISCUSSED the work of the Development Trust over the past year, and the significant progress made in terms of grant making and fundraising. The Board NOTED that it had received an excellent presentation from Outside Broadcast students, in advance of the Board meeting, who had utilised a specialist camera donated by the Trust to develop their commercial portfolios.

11.4 The Chair thanked the Chair of the Development Trust for his update and, on behalf of the Board, commended the valuable work of the Trust to date.

12. ANY OTHER COMPETENT BUSINESS

None.

13. DATE OF NEXT MEETING

13.1 The next meeting would be held at 14:00hrs on 15 February 2018 at the Milton Road Campus.

Meeting closed at 17:20

…………………………………………… (Signature of Chair) ………………… (Date)